

SUMMARY

*This summary aims to give you an overview of the information contained in this document. As this is a summary, it does not contain all the information that may be important to you. You should read the whole document before you decide to [REDACTED] in the [REDACTED]. There are risks associated with any investment. Some of the particular risks in [REDACTED] in the [REDACTED] are set out in “Risk Factors” in this document. You should read that section carefully before you decide to [REDACTED] in the [REDACTED]. **In particular, we are a biotechnology company seeking a [REDACTED] on the Main Board of the Stock Exchange under Chapter 18A of the Listing Rules on the basis that we are unable to meet the requirements under Rule 8.05 (1), (2) or (3) of the Listing Rules.** There are unique challenges, risks and uncertainties associated with [REDACTED] in companies such as ours. In addition, the Core Product is the product for the purpose of satisfying the eligibility requirements under Chapter 18A of the Listing Rules and Chapter 2.3 of the Guide for New Listing Applicants, and our Company may continue to incur substantial costs and expenses in relation to R&D activities for the Core Product, and the Core Product may not be successfully developed or marketed. Your [REDACTED] should be made in light of these considerations.*

OVERVIEW

We are a pioneer and leading player in percutaneous puncture surgical robot market in China, according to CIC. In 2024, our Puncture Surgery Navigation and Positioning System RC120 (“**RC120**”, or “**RC120 Puncture Surgical Robot**”), ranked second in terms of the number of trial installation in the percutaneous puncture surgical robot market in China, according to CIC. We have built a product portfolio with one approved product, namely RC120 which is used for the navigation and positioning in adult lung percutaneous puncture surgeries, and other product candidates mainly consisting of puncture surgery robots with other indications, models and new advanced functions, such as Puncture Surgery Navigation and Positioning System RC100 (“**RC100**”), spinal surgical navigation and positioning system, neurosurgical surgery navigation and positioning system, CT integrated puncture surgery navigation and positioning system, and consumables used in puncture surgeries. We were established in 2019 and primarily engage in R&D, production and commercialization of percutaneous puncture surgical robots. We commenced clinical trial for RC120 Puncture Surgical Robot on January 7, 2022 and completed on February 20, 2023, and obtained Class III medical device registration certificate in 2024 for our RC120 Puncture Surgical Robot. As of the Latest Practicable Date, we had successfully commercialized our RC120 Puncture Surgical Robot.

WE CANNOT GUARANTEE YOU THAT WE CAN SUCCESSFULLY DEVELOP AND MARKET OUR PRODUCT CANDIDATES.

RC120 Puncture Surgical Robot is a surgical robot independently developed by us to assist doctors in navigation and positioning in adult lung percutaneous puncture surgeries and features 7-degree-of-freedom robot platform, operative precision, safety and efficiency. We provided RC120 Puncture Surgical Robot to hospitals for clinical use during the Track Record

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Period. In the emerging medical technology sector, recognition from leading hospital users validates the product’s excellence and potential for large-scale commercialization. As of the Latest Practicable Date, RC120 Puncture Surgical Robot had been put into clinical use in 39 hospitals nationwide, most of which were top-tier Class III Grade A hospitals, including First Affiliated Hospital of Sun Yat-sen University, Zhongnan Hospital of Wuhan University, First Hospital of Jilin University, North Jiangsu People’s Hospital, Qishan Branch of Union Hospital Affiliated to Fujian Medical University, and Shanxi Bethune Hospital.

According to CIC, China’s percutaneous puncture surgical robot industry has tremendous future potential and is expected to become the fastest-growing regional market, driven by technology advancement, aging population and increasing prevalence of chronic disease, and the improving affordability and increasing awareness of health. Our competitive position is defined by distinct advantages over two key benchmarks: traditional manual procedures and competing optical and magnetic robotic systems. Compare with traditional manual procedures, our RC120 Puncture Surgical Robot offers significant advantages in terms of precision and consistency, reduced complication risk, lowered technical barrier and learning curves, enhanced operational efficiency and financial throughput, and improved patient and staff safety. Compared with other competing products currently available on the market, our principal competitive strengths lie primarily in our superior guidance technology, structural cost advantage, streamlined surgical workflow, operational independence and optimal space utilization.

We are a technology platform-based enterprise specializing in percutaneous puncture surgical robot. We have established an innovative CT-based Sensing Technology Platform, which is the core and basic technology platform for R&D of our percutaneous puncture surgical robot product pipeline, and are also in the continuous R&D of AI-driven technology platform for the further upgrade of certain AI-assisted functions of our puncture surgical robots. As of the Latest Practicable Date, we held 101 patents in China, including 44 invention patents, 50 utility models and seven appearance designs. Our core intellectual property mainly revolves around RC120 Puncture Surgical Robot and the relevant technology platform with full independent intellectual property rights.

OUR PRODUCT PORTFOLIO

We are a pioneer and leading player in percutaneous puncture surgical robot market in China, according to CIC. In 2024, our RC120 Puncture Surgical Robot ranked second in terms of the number of trial installation in the percutaneous puncture surgical robot market in China, according to CIC. We have built a product portfolio with one approved product, namely RC120 Puncture Surgical Robot which is used for the navigation and positioning in adult lung percutaneous puncture surgeries, and other product candidates mainly consisting of puncture surgery robots with other indications, models and new advanced functions, such as RC100, spinal surgical navigation and positioning system, neurosurgical surgery navigation and positioning system, CT integrated puncture surgery navigation and positioning system, and consumables used in puncture surgeries. The following diagram sets forth key details of our product portfolio as of the Latest Practicable Date:

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Category	Product	Indication/Function	Stages				Country or Region	Registration Class	Approval or Estimated Approval
			Preclinical Development	Clinical Evaluation	Application for Registration	Approval			
Surgical Robot	Puncture Surgery Navigation and Positioning System RC120★	Navigation and Positioning for Adult Pulmonary Puncture Surgery ⁽¹⁾					China	Class III	Q1 2024
		Navigation and Positioning for Adult Pulmonary and Abdominal Solid Organ Puncture Surgery					China	Class III	Q4 2026
		AI-assisted 3D Reconstruction and Surgery Path Planning Function					China	Class III	Q3 2030
		Dynamic Respiratory Motion Compensation Function					China	Class III	Q3 2030
		Navigation and Positioning for Adult Pulmonary and Abdominal Solid Organ Puncture Surgery					U.S.	Class III	Q4 2029
	Puncture Surgery Navigation and Positioning System RC100	Navigation and Positioning for Adult Pulmonary and Abdominal Solid Organ Puncture Surgery					E.U.	Class IIb	Q1 2030
							China	Class III	Q3 2027
	Spinal Surgery Navigation and Positioning System	Navigation and Positioning for Adult Pulmonary and Abdominal Solid Organ Puncture Surgery					Southeast Asia	Class C ⁽²⁾	Q4 2030
							China	Class III	Q4 2031
	Neurosurgical Surgery Navigation and Positioning System	Navigation and Positioning of Surgical Instruments and Implants during Adult Spinal Surgery					China	Class III	Q4 2031
Consumables	CT Integrated Puncture Surgery Navigation and Positioning System	Navigation and Directional Positioning for Neurosurgical Surgical Instruments and Implants					China	Class III	Q4 2031
	Disposable Pulmonary Nodule Positioning Puncture Needle	Navigation and Positioning for Routine Clinical Examinations and Adult Pulmonary and Abdominal Solid Organ Puncture Surgery					China	Class III	Q4 2031
	Disposable Biopsy Needle	Intended for CT-guided pulmonary nodule positioning in patients with pulmonary nodules prior to thoracoscopic surgery					China	Class II	Q2 2026
	Disposable Coaxial Biopsy Needle	Indicated for obtaining biopsy tissue from the lung, liver, kidney, prostate, spleen, lymph nodes and various soft tissue tumors					China	Class II	Q2 2026
	Disposable Puncture Guide	Used in conjunction with disposable biopsy needles to serve as a guide needle during the acquisition of soft tissue biopsy specimens					China	Class II	Q2 2026

★ Core Product

Notes:

- (1) On June 6, 2025, we applied for the change of registration with the NMPA to add four new models based on the same medical device registration certificate of RC120. The different models are of primary distinction lying in the configuration of certain components (such as the control cabinet and foot switch) of RC120. As of the Latest Practicable Date, the NMPA was in the process of reviewing our application and supplemental information provided by us as required by the NMPA.
- (2) For our future market expansion in Southeast Asia, we plan to initiate applications in Indonesia and Malaysia first. Our Puncture Surgery Navigation and Positioning System RC100 will be registered as Class C medical device in Indonesia and Malaysia.

RC120 Puncture Surgical Robot – Our Core Product. We obtained Class III medical device registration certificate from the NMPA for RC120 Puncture Surgical Robot in February 2024. RC120 Puncture Surgical Robot is a percutaneous puncture surgical robot independently developed by us to assist doctors in the navigation and positioning in adult lung percutaneous puncture surgeries and features 7-degree-of-freedom robot platform, operative precision, safety and efficiency. RC120 Puncture Surgical Robot consists of a control cabinet, a transport cart, a sensing board, a main frame, a robotic arm, a foot switch, a mains power cable, RC120 Auxiliary Puncture System Control Software and accessories. Based on CT imaging data, doctors use our software to design, tailor and confirm the optimal puncture path, and then through 3D reconstruction, the execution system of RC120 Puncture Surgical Robot will move to the precise needle insertion position for the doctor’s subsequent puncture. RC120 Puncture Surgical Robot can help doctors accurately avoid bones and blood vessels, reducing the number of intraoperative needle adjustments, significantly shortening the procedure time, and effectively reducing the risk of tissue damage to patients.

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As of the Latest Practicable Date, RC120 Puncture Surgical Robot had reached various mainstream hospital departments that may perform puncture surgeries, such as thoracic surgery department, interventional department, cardiothoracic surgery department, radiological imaging department, oncology department, respiratory medicine department, department of respiratory and critical care medicine and nuclear medicine department. Forms of surgeries cover puncture biopsy, ablation, preoperative localization, and seed implantation.

Driven by favorable policies, technological innovation and aging population and increasing prevalence of cancer, China’s percutaneous puncture surgical robot market size is expected to have strong growth with a CAGR of 66.1% to increase from RMB40.3 million in 2024 to RMB2,327.5 million in 2032, according to CIC. RC120 Puncture Surgical Robot has competitive advantages in terms of its precision positioning, safety, efficiency, and standardized surgical procedure. We believe RC120 Puncture Surgical Robot is poised for significant market development opportunities.

We are in the process of expanding indication, developing more advanced functions, and exploring overseas market opportunities for RC120 Puncture Surgical Robot, including:

- **Indication expansion to adult abdominal solid organs puncture surgery.** We had completed same-type product comparison for the expansion of RC120 Puncture Surgical Robot’s indications to percutaneous puncture surgery for adult abdominal solid organs. Through the evaluation of clinical literature data of such same-type product, the safety and effectiveness of our product candidates in clinical use have been confirmed. We plan to apply for a registration approval of new indication with the NMPA and expect to obtain the NMPA’s approval in 2026. We believe that our indication expansion to adult abdominal solid organs puncture surgery of RC120 Puncture Surgical Robot will further enhance our competitiveness, which is also in line with the market trend and customer demand, according to CIC.
- **Dynamic respiratory motion compensation, and AI-assisted 3D reconstruction and surgery path planning functions.** The dynamic respiratory motion compensation function is designed to address the problem of lesion movement caused by patients’ breathing or body movement and enhance the stability of puncture in dynamic scenarios. Moreover, we are also developing certain AI-assisted functions capable of offering organ and tissue segmentation, automatic surgical path planning and automatic nodule lesion recognition. The deep integration of AI with medical imaging technologies has become a significant trend in the development of the medical imaging industry. With the rise of early cancer detection, increasing adoption of image-guided interventions, and hospitals’ growing demand for navigation technologies, these “intelligent planning plus dynamic control” surgical robots are positioned to capture substantial market opportunities across biopsy, ablation, and other percutaneous therapeutic workflows. We expect to initiate relevant clinical evaluations in 2027 and obtain the registration approval in 2030. We believe and CIC concurs, our R&D with respect to such advanced functions will bring us huge market potential if the relevant product candidates are approved by the NMPA.

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- **Business expansion in overseas markets.** As of the Latest Practicable Date, we were also conducting relevant market research and preparing for applying registration approvals for the navigation and positioning system for percutaneous puncture surgery of adult pulmonary and abdominal solid organs in overseas jurisdictions such the United States and Europe. We plan to initiate the applications in the United States and the Europe in the second half of 2026 and obtain relevant approvals by 2030. According to CIC, the market size of percutaneous puncture surgical robot in the United States was USD98.8 million in 2024 and is expected to increase to USD602.7 million in 2032 at a CAGR of 25.4%% from 2024 to 2032. According to CIC, the market size of percutaneous puncture surgical robot in Europe was USD76.9 million in 2024 and is expected to increase to USD592.0 million in 2032 at a CAGR of 29.1%% from 2024 to 2032.

In addition to RC120 Puncture Surgical Robot, we are also developing several other puncture surgical robot product candidates including RC100, spinal surgical navigation and positioning system, neurosurgical surgery navigation and positioning system, CT integrated puncture surgery navigation and positioning system, and consumables used in puncture surgeries.

- **RC100.** Basically, RC100 adopts the same product principles, architecture and operational procedure as RC120. The main difference lies in the replacement of certain key components (such as robotic arm and industrial control computer) with domestically produced alternatives. We believe that RC100 will provide a solution better suited to the needs of hospitals in lower-tier cities and counties with different budgets. According to CIC, the market price of domestic robotic arms is generally 75% lower than those provided by renown foreign suppliers. We will strategically market RC100 targeting primary medical care level in China and in Southeast Asia, which are of huge market potential, according to CIC.
- **Spinal Surgery Navigation and Positioning System.** Our spinal surgery navigation and position system is designed for spinal screw placement surgery. The designed product structural, composition and operational procedure of spinal surgery navigation and position system are similar to those of RC120 Puncture Surgical Robot, except for certain accessories. As of the Latest Practicable Date, we were still at preclinical development stage for the spinal surgery navigation and position system and we expect to obtain registration approval of NMPA by 2031.
- **Neurosurgical Surgery Navigation and Positioning System.** Our neurosurgical navigation and positioning system is designed for multiple neurosurgical fields, including intracranial tumors, cerebral hemorrhage, Parkinson’s disease, trigeminal neuralgia, epilepsy, etc. In the future, we will also explore its application in the implantation of flexible microelectrodes for brain-computer interfaces (BCIs), facilitating the implantation of flexible microelectrodes into the cerebral cortex and

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providing key support for BCI and brain science research. As of the Latest Practicable Date, we were still at preclinical development stage for the neurosurgical navigation and positioning system and we expect to obtain registration approval of NMPA by 2031.

- **CT Integrated Puncture Surgery Navigation and Positioning System.** The CT integrated puncture surgery navigation and positioning system will deeply integrate CT and the navigation and positioning system into a single system, achieving the unification of imaging coordinates and robotic arm coordinates and eliminating the need for coordinate conversion. As of the Latest Practicable Date, we were still at preclinical development stage for the CT integrated puncture surgery navigation and positioning system and we expect to obtain registration approval of NMPA by 2031.
- **Consumables.** As of the Latest Practicable Date, we had four types of medical consumable product candidates, among which three types of consumables, namely disposable pulmonary nodule positioning puncture needle, disposable biopsy needle, and disposable coaxial biopsy needle, were in the process of applying for the Class II medical device registration certificates, and one type of consumable, i.e. disposable puncture guide, was still in the preclinical R&D stage. These product candidates are designed to work synergistically with our self-developed RC120, ensuring efficient and seamless integration.

OUR BUSINESS MODEL

We primarily engage in R&D, production and commercialization of percutaneous puncture surgical robots. We obtained Class III medical device registration certificate in 2024 for our RC120 Puncture Surgical Robot, which is used for navigation and positioning in adult lung percutaneous puncture surgeries. As of the Latest Practicable Date, we had successfully commercialized our RC120 Puncture Surgical Robot, but was still at an early stage of the commercialization process. Our target users are primarily hospitals that have needs for percutaneous puncture surgeries. We provided RC120 Puncture Surgical Robot to hospitals for clinical use during the Track Record Period. We mainly purchase raw materials and components (such as robotic arms, sensing boards and machined parts) from our suppliers for R&D and production activities. We have been continuously making efforts to expand new indications, models and upgrade the functions of RC120 Puncture Surgical Robot and plan to actively explore business opportunities in other jurisdictions.

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Along with the commercialization progress of our puncture surgical robots and the R&D of consumables product candidates, we will pursue transitioning from traditional equipment sales to an “equipment, consumables, and services” business model. By integrating sales of puncture surgical robots, long-term consumables supply, and ongoing technical services to customers and users, we aim to strengthen user loyalty, secure recurring consumables procurement, and maximize the lifetime value of our customers.

MARKET OPPORTUNITY AND COMPETITION

According to CIC, China’s percutaneous puncture surgical robot industry has tremendous future potential and is expected to become the fastest-growing regional market. Compared to traditional percutaneous puncture surgery, percutaneous puncture surgical robots improve surgical precision and stability, reduce surgery time, shorten learning curve, and decrease complications. Driven by technology advancement, aging population and increasing prevalence of chronic disease, and the improving affordability and increasing awareness of health of Chinese residents, China’s percutaneous puncture surgical robot market is expected to increase rapidly in the future. In 2022, the percutaneous puncture surgical robot medical device product was approved by NMPA for the first time in China. China’s market size of percutaneous puncture surgical robot was RMB40.3 million in 2024 and is expected to increase at a CAGR of 66.1% to RMB2,327.5 million from 2024 to 2032. As of the Latest Practicable Date, 17 products, in total, have obtained NMPA approval in the percutaneous puncture surgical robot market in China. In 2024, our RC120 Puncture Surgical Robot ranked second in terms of the number of trial installation in the percutaneous puncture surgical robot market in China, according to CIC. We believe that our puncture surgical robot has competitive advantages in terms of its precision positioning, safety, efficiency, and standardized surgical procedure.

Globally, the surgical robot market remains at an early stage of overall penetration, though regional development levels vary in terms of technological maturity, regulatory environment, and clinical adoption. The United States and major European countries represent relatively mature markets with well-established regulatory and clinical systems. According to CIC, the market size of percutaneous puncture surgical robot in the United States was USD98.8 million in 2024 and is expected to increase to USD602.7 million in 2032 at a CAGR of 25.4% from 2024 to 2032. According to CIC, the market size of percutaneous puncture surgical robot in Europe was USD76.9 million in 2024 and is expected to increase to USD592.0 million in 2032 at a CAGR of 29.1% from 2024 to 2032.

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OUR STRENGTHS

We believe that the following are our competitive strengths and investment highlights: (i) innovative CT-based sensing technology platform with breakthrough capabilities: indepth layout in percutaneous puncture surgical robot market to address unmet clinical needs; (ii) the only puncture surgical robot integrating CT imaging technology with intelligent sensing architecture in China, bypassing image registration and empowering us with unparalleled competitiveness in clinical workflow efficiency, cost competitiveness and spatial versatility; (iii) strategic penetration into China’s leading hospitals, accelerating product adoption through enhanced clinician education, while cooperating with distributors to ensure effective commercial execution and market penetration; (iv) focusing on pulmonary puncture surgical positioning system as the core, continuously expanding into adjacent fields to build a full-stack integrated platform for multi-organ tumor diagnosis; (v) our IP and AI-driven technology platform under continuous development contribute to our differentiated competitive position in the market; and (vi) experienced and dedicated management team with strong support from renown investors.

OUR STRATEGIES

We intend to implement a business strategy with the following components: (i) enhancing market penetration in China and advancing the integrated “equipment, consumables, and services” business model; (ii) strategically pursuing global clinical and commercial partnerships to capture international market opportunities; (iii) accelerating pipeline development via expanding indications, functional developments and consumable product candidates; and (iv) enhancing our AI capability with the aim to establish an AI-empowered technology ecosystem.

OUR TECHNOLOGY PLATFORMS

We have established an innovative CT-based Sensing Technology Platform, which is the core and basic technology platform for R&D of our percutaneous puncture surgical robot product pipeline, delivering unprecedented real-time fusion of CT imaging coordinates with the physical robotic arm and enabling millimeter-level precision guidance across diverse anatomical regions. Building upon this robust hardware-software sensing backbone, we are in the process of developing our AI-driven technology platform as the intelligent evolution layer that will primarily empower and revolutionize the 3D reconstruction and path planning phase of the workflow of our puncture surgical robots. By further integrating our high-dimensional anatomical perception foundation model and learning-enabled optical path-planning algorithm, we believe our puncture surgical robots will automatically generate puncture trajectories quickly, enhancing preoperative decision-making efficiency, safety, and personalization while seamlessly leveraging the real-time synchronization capability of the CT-based Sensing Technology Platform for flawless intraoperative execution. See “Business – Our Technology Platforms” for further details.

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RESEARCH AND DEVELOPMENT

We believe that our future success will depend on, to a large extent, our ability to develop new or improved percutaneous puncture surgical robots. For the years ended December 31, 2023 and 2024 and the six months ended June 30, 2024 and 2025, we incurred R&D costs of RMB23.9 million, RMB18.9 million, RMB9.2 million and RMB9.1 million, respectively. For the years ended December 31, 2023 and 2024 and the six months ended June 30, 2024 and 2025, our R&D costs attributable to our Core Product were RMB7.9 million, RMB11.2 million, RMB3.9 million and RMB7.7 million, respectively, accounting for 33.0%, 59.2%, 42.3% and 84.8% of our total R&D costs in the respective period. Our R&D costs attributable to our Core Product increased from RMB7.9 million in 2023 to RMB11.2 million in 2024, and increased from RMB3.9 million for the six months ended June 30, 2024 to RMB7.7 million for the six months ended June 30, 2025, primarily due to our continuous R&D efforts in expanding indications, upgrading its functions and diversifying the models of RC120 Puncture Surgical Robot.

We have a highly experienced and multidisciplinary in-house research and development team that comprises of 21 employees as of the Latest Practicable Date. Our R&D team members have an average of around eight years of industry experience, covering professional fields such as mechanics, electrical and electronic engineering, software, algorithms, medicine and motion control. The R&D team works along the entire lifecycle of our product candidates. The team strives to bring high-quality, innovative products to market in a timely manner. To leverage the expertise of our R&D personnel, enhance efficiency and maximize synergy, the team is organized into five sub-departments, namely mechanical department, electronics and electrical department, software and algorithm department, project management department and Simple Touch Research Institute. These sub-departments are structured to monitor and manage cross-departmental collaboration based on distinct business needs.

We have a dedicated clinical trial team responsible for the day-to-day operation and management of the clinical trials of our pipeline products. We have specialized clinical trial personnel to be responsible for different aspects, including, among others, monitoring and managing clinical research projects, coordinating and discussing with investigators and research institutions, conducting regular training to sales and marketing personnel, providing medical knowledge support for marketing activities, conducting statistical analysis of clinical data, as well as drafting relevant academic papers, to ensure that clinical trials comply with our protocols and the GCP standard.

MANUFACTURING

We obtained medical device production license in April 2024 with a valid term of five years. During the Track Record Period, we conducted manufacturing activities at our manufacturing facility located in our leased properties in Shanghai, China, with an aggregate approved GFA of approximately 746.8 sq.m.. Our manufacturing facility and manufacturing processes undergo internal process controls and regular self-examination to ensure compliance with quality system requirements, and are subject to supervision and periodic inspections by

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the NMPA or other comparable regulatory agencies. Along with the commercialization progress of RC120 Puncture Surgical Robot, we plan to expand our manufacturing facility in the future to support the increasing demand for our products. See “Future Plans and Use of [REDACTED]” for further details. During the Track Record Period, we mainly manufactured products through manual assembly by our manufacturing staff. Due to the limitation on our production space, we generally can produce one unit of RC120 Puncture Surgical Robot in a week. As of December 31, 2023 and 2024 and June 30, 2025, we had one, two and two manufacturing staff, respectively. In the year ended December 31, 2023 and 2024 and the six months ended June 30, 2025, we produced nil, 12 and 6 units of RC120, respectively.

SALES AND MARKETING

As of the Latest Practicable Date, we had an in-house sales and marketing team of four members to deliver integrated services, covering sales and marketing, client services and clinical training. During the Track Record Period, we also enhanced our marketing capabilities by appointing some external sales and marketing personnel through labor outsourcing. Currently, our major channels of marketing activities of our products are academic promotion and providing our products to hospitals for clinical use, by which we are dedicated to growing our brand recognition and establish collaboration hospitals and doctors in China. During the Track Record Period, we provided RC120 Puncture Surgical Robot to hospitals for clinical use. As of the Latest Practicable Date, we were still in the relatively early stage of the commercialization process of our RC120 Puncture Surgical Robot. Our primary go-to-market strategy utilizes a distributorship model. A cornerstone of this strategy is our collaboration with Shanghai Youhe Medical Technology Co., Ltd. (“**Shanghai Youhe**”), which is one of the leading and comprehensive high-end medical device service providers specializing in respiratory, thoracic surgery, and early digestive cancer diagnostics in China according to CIC. We expect that we will primarily sell our product through distributors. As of the Latest Practicable Date, we had five distributors. We screen and select distributors whom we believe have the required qualifications and capabilities and are suited to our strategic marketing model.

CUSTOMERS AND SUPPLIERS

During the Track Record Period, we only have one public hospital customer who engaged us to provide one-off technical support services in 2023. We generated revenue of RMB0.2 million, nil, nil and nil from this customer in 2023, 2024 and the six months ended June 30, 2024 and 2025, respectively. This customer is an Independent Third Party. As of the Latest Practicable Date, none of our Directors, their associates or any shareholders which, to the knowledge of our Directors, owned more than 5% of the issued share capital of the Company as of the Latest Practicable Date, had any interest in this customer during the Track Record Period.

During the Track Record Period, our suppliers were primarily (i) materials and components providers for the production and R&D of our percutaneous puncture surgical robots and other product candidates; and (ii) type test, inspection, consulting and other services providers. For the years ended December 31, 2023 and 2024 and the six months ended June 30,

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2025, our purchases from our largest supplier accounted for 12.1%, 21.9% and 32%, respectively, of our total purchases during the same years or period, and purchases from our five largest suppliers in the aggregate accounted for 35.2%, 48.1% and 63.6%, respectively, of our total purchases during the same years or period. As of the Latest Practicable Date, none of our Directors, their associates or any shareholders which, to the knowledge of our Directors, owned more than 5% of the issued share capital of the Company as of the Latest Practicable Date, had any interest in our five largest suppliers during the Track Record Period.

INTELLECTUAL PROPERTY

Intellectual property rights are important to our business. As of the Latest Practicable Date, we held 101 patents in China, including 44 invention patents, 50 utility models and seven appearance designs. The valid term of our patents is generally 10 to 20 years from the filing date of the earliest non-provisional patent application on which the patent is based. As of the Latest Practicable Date, we also owned 51 registered trademarks and four domain names. We have adopted certain measures with respect to intellectual property risk management, including assessing violation risks relating to third-party rights from time to time, identifying potential disputes and formulating precautionary measures, to avoid potential infringement against our competitors’ products. During the Track Record Period and up to the Latest Practicable Date, we were not involved in any material proceedings in respect of, and we had not received notice of any material claims of infringement of, any intellectual property rights that are threatened or pending, in which we may be a claimant or a respondent.

LEGAL PROCEEDINGS AND COMPLIANCE

During the Track Record Period and up to the Latest Practicable Date, we were not a party to, and we were not aware of any threat of, any legal, arbitral or administrative proceeding, which, in our opinion, is likely to have a material and adverse effect on our business, financial conditions or results of operation. Our PRC Legal Advisors are of the opinion that our business was in compliance with applicable laws and regulations of the PRC in all material aspects during the Track Record Period and up to the Latest Practicable Date.

SUMMARY OF KEY FINANCIAL INFORMATION

The following tables set forth summary financial data from our financial information for the Track Record Period, extracted from the Accountants’ Report set out in Appendix I to this document. The summary financial data set forth below should be read together with, and is qualified in its entirety by reference to, the financial statements in this document, including the related notes. Our financial information was prepared in accordance with HKFRS Accounting Standards (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations) as issued by the HKICPA.

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Summary of Statements of Profit or Loss and Other Comprehensive Income

The following table sets forth our statements of profit or loss and other comprehensive income for the periods indicated:

	Year ended December 31,		For the six months ended June 30,	
	2023	2024	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
			<i>(Unaudited)</i>	
Revenue	156	—	—	—
Cost of sales	(33)	—	—	—
Gross profit	123	—	—	—
Other income and gains	871	1,157	776	129
Research and development costs	(23,861)	(18,904)	(9,204)	(9,053)
Selling and distribution expenses	(2,919)	(5,280)	(1,882)	(3,756)
Administrative expenses	(8,327)	(13,685)	(8,648)	(5,334)
Other expenses	(1)	—	—	(1)
Finance costs	(97)	(287)	(130)	(106)
Loss before tax	(34,211)	(36,999)	(19,088)	(18,121)
Income tax expense	—	—	—	—
Loss and total comprehensive loss for the year/period	(34,211)	(36,999)	(19,088)	(18,121)

We have not been profitable and incurred a net loss in each period comprising the Track Record Period. For more information, see “Financial Information — Description of Major Components in Our Statements of Profit or Loss and Other Comprehensive Income.”

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Summary of Statements of Financial Position

The following table sets forth selected information from our statements of financial position as of the dates indicated, which has been extracted from the Accountants’ Report set out in Appendix I to this document:

	As of December 31,		As of June 30,
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
			(Unaudited)
Total current assets	45,353	28,449	18,703
Total non-current assets	7,477	8,503	11,683
Total assets	52,830	36,952	30,386
Total current liabilities	6,106	15,881	21,528
Total non-current liabilities	761	143	793
Total liabilities	6,867	16,024	22,321
Net current assets/(liabilities)	39,247	12,568	(2,852)
Net assets	45,963	20,928	8,065
Paid-in capital	24,893	24,893	24,893
Reserves/(Deficits)	21,070	(3,965)	(16,828)
TOTAL EQUITY	45,963	20,928	8,065

Our net current assets decreased from RMB39.2 million as of December 31, 2023 to RMB12.6 million as of December 31, 2024 primarily because of (i) the decrease in cash and cash equivalents from RMB44.0 million as of December 31, 2023 to RMB26.6 million as of December 31, 2024 mainly due to funding our daily operations and (ii) the increase in interest-bearing bank borrowings from nil as of December 31, 2023 to RMB10.0 million as of December 31, 2024 mainly due to the loan we drew down in 2024 to support our business operation. We had net current liabilities of RMB2.8 million as of June 30, 2025 compared to net current assets of RMB12.6 million as of December 31, 2024 primarily because of a decrease in cash and cash equivalents from RMB26.6 million as of December 31, 2024 to RMB15.4 million as of June 30, 2025 mainly due to funding our daily operations, which is partially offset by a decrease in interest-bearing bank borrowings from RMB10.0 million as of December 31, 2024 to nil as of June 30, 2025, primarily because we repaid the loan in the six months ended June 30, 2025.

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Summary of Statements of Cash Flows

The following table sets forth selected cash flow data from our statements of cash flows for the periods indicated:

	For the year ended December 31,		For the six months ended June 30,	
	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
			<i>(Unaudited)</i>	
Net cash (used in) operating activities	(28,797)	(26,451)	(16,128)	(162)
Net cash (used in) investing activities	(1,540)	(283)	(141)	(65)
Net cash (used in) from financing activities	<u>(1,465)</u>	<u>8,817</u>	<u>9,343</u>	<u>(10,943)</u>
Net increase/(decrease) in cash and cash equivalents	(31,802)	(17,917)	(6,926)	(11,170)
Cash and cash equivalents at beginning of the year	75,250	44,027	44,027	26,633
Effects of exchange rate changes, net	<u>579</u>	<u>523</u>	<u>424</u>	<u>(30)</u>
Total cash and cash equivalents at end of year/period	<u>44,027</u>	<u>26,633</u>	<u>37,525</u>	<u>15,433</u>

During the Track Record Period, we had incurred negative cash flows from our operations. Substantially all of our operating cash outflows have resulted from our R&D costs, selling and distribution expenses and administrative expenses.

We monitor and maintain a level of cash and cash equivalents deemed adequate to finance our operations and mitigate the effects of fluctuations in cash flows. As our business develops and expands, we expect to generate cash from operating activities upon the successful commercialization of RC120 Puncture Surgical Robot. We believe our funding requirements will be satisfied by using funds from a combination of cash flows from operating activities and [REDACTED] from the [REDACTED]. As of October 31, 2025, we had cash and cash equivalents of RMB71.3 million. After taking into consideration the above, and the [REDACTED] from the [REDACTED], in the absence of unforeseeable circumstances, our Directors are of the opinion that we have sufficient working capital to cover at least 125% of our costs, including R&D costs, selling and distribution expenses and administrative expenses for at least the next 12 months from the date of this document.

SUMMARY

KEY FINANCIAL RATIOS

The following table set forth our key financial ratios as of the date or for the period indicated:

	As of December 31,		As of June 30,
	2023	2024	2025
Current ratio ⁽²⁾ (Times)	7.4	1.8	0.9
Quick ratio ⁽³⁾ (Times)	7.4	1.7	0.8
Debt-to-asset ratio ⁽⁴⁾ (%)	13.0	43.4	73.5

Notes:

- (1) Current ratio is calculated based on total current assets divided by total current liabilities.
- (2) Quick ratio is calculated based on total current assets less inventories divided by total current liabilities.
- (3) Debt-to-asset ratio is calculated based on total indebtedness (including bank borrowings and lease liabilities) divided by total assets and multiplied by 100%.

RISK FACTORS

We are a percutaneous puncture surgical robot company seeking to list on the Main Board of the Stock Exchange under Chapter 18A of the Listing Rules. We believe there are certain risks and uncertainties involved in [REDACTED] in our H Shares, some of which are beyond our control. See “Risk Factors” for details of our risk factors, which we urge you to read in full before making an [REDACTED] in our H Shares. In any such case, the [REDACTED] of our H Shares could decline, and you may lose all or part of your [REDACTED]. Some of the major risks we face include: (i) our business and financial prospects depend substantially on the successful R&D and commercialization of our pipeline products. If we are unable to successfully complete clinical evaluation, obtain regulatory approval and commercialize our products, or experience significant delays in doing so, our prospects may be materially and adversely affected; (ii) we may face intense competition in the percutaneous puncture surgical robot market. There are well-established competing products, and competitors may develop or commercialize new competing products before or more successfully than we do; (iii) we have limited experience in commercialization of our products. If we are unable to build or maintain sufficient sales and marketing capability, we may not be able to successfully create, increase market awareness of, or sell our product or pipeline products once approved, which will materially affect our ability to generate product sales revenue; (iv) we have incurred net losses since inception, and anticipate that we will continue to incur operating losses for the foreseeable future and may never become profitable. As a result, you may lose all or part of your [REDACTED] in us given the high risks involved in our business and associated with the medical devices industry; (v) the R&D and commercialization of our pipeline products are

SUMMARY

heavily regulated in all material aspects; and (vi) we could be unsuccessful in obtaining or maintaining adequate intellectual property rights protection for our products, or if the scope of such intellectual property rights obtained is not sufficiently broad, third parties may compete directly against us.

[REDACTED] EXPENSES

[REDACTED] expenses represent professional fees, [REDACTED] commissions and other fees incurred in connection with the [REDACTED]. We expect to incur total [REDACTED] expenses of approximately HK\$[REDACTED] million (assuming the [REDACTED] and the [REDACTED] is not exercised and based on the [REDACTED] of HK\$[REDACTED] per [REDACTED], being the [REDACTED] of the indicative [REDACTED] range), representing [REDACTED]% of the gross [REDACTED] of the [REDACTED] assuming no H Shares are issued pursuant to the [REDACTED] and the [REDACTED]. The total [REDACTED] expenses consist of (i) approximately HK\$[REDACTED] million [REDACTED] related expenses and (ii) approximately HK\$[REDACTED] million non-[REDACTED] related expenses (including (a) fees and expenses of legal advisors and reporting accountants of approximately HK\$[REDACTED] million; and (b) other fees and expenses of approximately HK\$[REDACTED] million). During the Track Record Period, we incurred [REDACTED] expenses of [REDACTED], [REDACTED] of which was charged to our statements of profit or loss and other comprehensive income, and [REDACTED] of which was attributable to the [REDACTED] of H Shares and will be deducted from equity upon the [REDACTED]. We expect to incur additional [REDACTED] expenses of approximately HK\$[REDACTED] million after the Track Record Period, approximately HK\$[REDACTED] million of which is expected to be charged to our statements of profit or loss and other comprehensive income, and approximately HK\$[REDACTED] million of which is attributable to the [REDACTED] of H Shares and will be deducted from equity upon the [REDACTED]. The [REDACTED] expenses above are the latest practicable estimate for reference only, and the actual amount may differ from this estimate.

USE OF [REDACTED]

We estimate that we will receive [REDACTED] of approximately HK\$[REDACTED] million after deducting the [REDACTED] fees and expenses payable by us in the [REDACTED], assuming no exercise of the [REDACTED] and the [REDACTED] and assuming an [REDACTED] of HK\$[REDACTED] per [REDACTED], being the mid-point of the [REDACTED] range stated in this Document. We intend to use the net [REDACTED] from the [REDACTED] for the following purposes: (i) approximately [REDACTED]% (or HK\$[REDACTED] million) is expected to be allocated to the R&D and commercialization of our Core Product; (ii) approximately [REDACTED]% (or HK\$[REDACTED] million) will be allocated to the R&D and commercialization of our other product candidates in addition to the Core Product; (iii) approximately [REDACTED]% (or HK\$[REDACTED] million) will be allocated to enhance our manufacturing facilities, mainly including the increase of more production workshops, investment in production equipment, and employment of more production staff; (iv) approximately [REDACTED]% (or HK\$[REDACTED] million) will be allocated to external authorization and cooperation for certain surgical consumables; and (v) approximately [REDACTED]% (or HK\$[REDACTED] million) will be used for our working capital and general corporate purposes.

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OUR CONTROLLING SHAREHOLDERS

As of the Latest Practicable Date, Mr. Liu, Shanghai Ruicong L.P. and Shanghai Ruiru L.P. held 13,102,135 Shares, 1,666,675 Shares and 497,865 Shares, respectively, representing approximately 51.43%, 6.54% and 1.95% of our total issued Shares, respectively. Mr. Liu is the sole general partner of both Shanghai Ruicong L.P. and Shanghai Ruiru L.P. and can exercise the voting rights attached to the Shares held by them. Hence, Mr. Liu, Shanghai Ruicong L.P. and Shanghai Ruiru L.P. are considered as a group of Controlling Shareholders, collectively holding approximately 59.93% of our total issued Shares as of the Latest Practicable Date.

Immediately following the completion of the Shares Subdivision and the [REDACTED] (assuming the [REDACTED] and the [REDACTED] are not exercised), Mr. Liu, Shanghai Ruicong L.P., and Shanghai Ruiru L.P. will collectively hold approximately [52.74]% of our total issued Shares. Accordingly, Mr. Liu, Shanghai Ruicong L.P., and Shanghai Ruiru L.P. will remain as our Controlling Shareholders immediately after [REDACTED].

Mr. Liu is one of our executive Director, the chairman of our Board and our general manager. For further information, please refer to “Relationship with our Controlling Shareholders” in this document.

PRE-[REDACTED] INVESTMENTS

Since the establishment of our Company, we have received four rounds of equity financing from our Pre-[REDACTED] Investors, from which we raised approximately RMB165.8 million in total. Our Pre-[REDACTED] Investors include Sophisticated Investors, such as Shanghai NSR Leading Private Equity Fund Management Co., Ltd.* (上海新絲路領軍私募基金管理有限公司) (through Xinyu Shangjia Investment Partnership (Limited Partnership)* (新余市上嘉投資合夥企業(有限合夥)) and Xinyu Shangrong Equity Investment Partnership (Limited Partnership)* (新余市上容股權投資合夥企業(有限合夥)) and Walden Technology Ventures IV, L.P. (through SOLEIL CAPITAL LIMITED), which held approximately 8.18% and 4.67%, respectively, of the total issued share capital of our Company as of the Latest Practicable Date, and are expected to hold approximately [REDACTED]% and [REDACTED]%, respectively, immediately upon the [REDACTED]. Pursuant to applicable PRC laws, the Pre-[REDACTED] Investors shall not dispose of any of the Shares held by them within 12 months following the [REDACTED]. As of the Latest Practicable Date, the amount of proceeds from our Pre-[REDACTED] Investors that had not been utilized was approximately RMB63.28 million, accounting for approximately 38.17% of all the proceeds from our Pre-[REDACTED] Investors. For details of our Pre-[REDACTED] Investments, see “History, Development and Corporate Structure – Pre-[REDACTED] Investments” in this document.

SUMMARY

[REDACTED] STATISTICS

[REDACTED]

DIVIDENDS AND DIVIDEND POLICY

No dividend has been paid or declared by the Company during the Track Record Period. We currently do not have a fixed dividend payout ratio. Any future determination to declare and pay any dividends will be at the discretion of our Board and will depend on, among other things, our earnings, financial condition, capital requirements, level of indebtedness, statutory and contractual restrictions applying to the payment of dividends and other considerations that our Board deems relevant. In addition, any final dividends for a financial year will be subject to our Shareholders’ approval.

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Dividends may be paid only out of our distributable profits as permitted under the relevant laws. To the extent profits are distributed as dividends, such portion of profits may not be reinvested in our operations. There can be no assurance that we will be able to declare or distribute any dividend in the amount set forth in any plan to our Board or at all. Furthermore, if we incur debt on our or its own behalf in the future, the instruments governing the debt may restrict our ability to pay dividends. The past dividend distribution record may not be used as a reference or basis in determining the level of dividends that may be declared or paid by us in the future.

RECENT DEVELOPMENTS AND NO MATERIAL ADVERSE CHANGE

Since the end of the Track Record Period, we have continuously made efforts in the R&D of our pipeline products and the commercialization of RC120 Puncture Surgical Robot. Recently, we have achieved progress in the R&D of AI-assisted functions of RC120. We have established a medical image segmentation model and are currently undergoing continuous training. Our AI-assisted automatic path planning algorithm has also been realized and is currently under continuous optimization. In July 2025, one of our distributors placed order with us to purchase a unit of RC120 Puncture Surgical Robot, the end customer of which is a high-end private medical institution in China. In July 2025, we submitted registration applications with the relevant regulatory authority for more than 30 different specifications of three types of disposable puncture needle product candidates.

After due and careful consideration, our Directors confirm that, up to the date of this document, there has been no material adverse change in our financial and trading position or prospects since June 30, 2025, and there is no event since June 30, 2025 which would materially affect the information shown in the Accountants’ Report, the text of which is set out in Appendix I to this document.